



**Pacific Gas and
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December 3, 2007

Sean Gallagher
Director of the Energy Division
California Public Utilities Commission
Room 4004
505 Van Ness Avenue
San Francisco, California 94102

**RE: 2008 Interim Marketing Plan for California Solar Initiative Submitted in
Compliance with Decision 07-05-047**

Pacific Gas and Electric Company (PG&E) submits for Energy Division approval its 2008 interim marketing and outreach plan for the California Solar Initiative (CSI) program in its service territory in compliance with Appendix A of Decision (D.) 07-05-047. PG&E requests approval of \$600,000 to implement the 2008 marketing and outreach plan. PG&E seeks approval of a 20% budget increase, or an additional \$100,000, over the allowed 2008 solar marketing budget. Consumer feedback has indicated to PG&E the need for increasing the frequency of outreach and improving the different means of communicating the solar message to customers. It is PG&E's plan to apply the additional funding toward expanded trainings in PG&E's service territory, an applicant training video, and market research to target our solar materials more effectively.

Background

On May 24, 2007, the California Public Utilities Commission (CPUC) issued D.07-05-047, which established a process for approval of interim marketing plans for the CSI Program. In that decision, the CPUC ordered the Program Administrators, including PG&E, to send a letter to the Director of the Energy Division for approval, with a copy to all parties on the service list for Rulemaking (R.) 06-03-004, within 20 days of the effective date of the decision detailing "their interim CSI marketing and outreach plans and a budget for interim marketing activities for the remainder of 2007" (Decision, Appendix A).

In accordance with D.07-05-047, PG&E submitted its 2007 marketing plan on June 13 and then later revised that plan in a letter dated August 21, 2007. On September 14, 2007, Energy Division sent PG&E a letter approving its interim marketing plan, as filed. PG&E's 2007 marketing plan included a budget for

monthly training sessions for installers, a solar education booklet and other collateral, and direct mail focused on generating interest in solar.

In November 2007, the Energy Division sent the Program Administrators guidelines for the 2008 interim M&O plans which were to be submitted to the Energy Division Director no later than December 3, 2007. Accordingly, PG&E submits its 2008 interim marketing plan and associated budget in compliance with D. 07-05-047, as described herein. In compliance with the decision, PG&E will send a follow-up letter to the Director of the Energy Division six months after the date of its initial interim marketing and outreach plan and every six months thereafter, until a final marketing and outreach plan is adopted in the proceeding.

Proposed 2008 Interim Marketing and Outreach Plan Budget and Timeline

PG&E's proposed interim marketing and outreach activities and the associated 2008 budget are summarized in the following table, along with proposed activities funded through the 2007 budget and implemented in 2008. PG&E includes a proposed consumer version of the CSI handbook, to be funded through the administrative budget, as described below.

Activity	2008 Budget	Notes
Training		
• Training Program	\$100,000	
Communications		
• Fact Sheet	\$ 0	Developed with 2007 budget \$s
• News Release	\$ 0	No budget \$s requested
• Consumer Guide	\$ 0	To be jointly funded through the program administration budget
• CSI E-newsletter	\$3,000	
• Applicant Training Video	\$50,000	
Program Marketing		
• Bill Insert	\$ 0	Approved as part of 2007 budget to be implemented in 2008
• Direct Mail	\$170,000	
• Web Enhancement	\$20,000	
• Online Campaign	\$182,000	
Research		
• Market Research	\$50,000	
• Awareness Tracking Study	\$25,000	
Total	\$600,000	

The estimated timeline for implementing the 2008 marketing plan, assuming timely approval by the Energy Division, is shown in the table below.

	Q1			Q2			Q3			Q4		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Training												
Training Program												
Communications												
Fact Sheet												
CSI E-newsletter												
News Release												
Consumer Guide												
Applicant Training Video												
Program Marketing												
Direct Mail												
Bill Insert												
Web Enhancement												
Online Campaign												
Research												
Market Research												
Awareness Tracking Study												

Proposed 2008 Interim Marketing and Outreach Plan

Training

Training Program

As required by D. 07-05-047, PG&E is to conduct at least one training session per month for solar installers. In 2008, PG&E proposes to develop a broad range of training programs and tools that are aimed to support solar installers and customers. The program objectives are to increase the frequency of current classes outside of the San Francisco metropolitan area, increase the number of topics to include solar basic for residential and small commercial customers, and to develop partnerships with local organizations, communities and other solar partners. Collateral such as the fact sheet and solar booklet will be provided to support the longevity of the program. The training program is budgeted for \$100,000 and will run throughout 2008.

Communications

Fact Sheet

The residential fact sheet developed in 2007 will continued to be distributed throughout 2008 at various solar-related events with no additional budget being requested for 2008.

CSI e-newsletter

As directed by the CPUC in D.07-05-047, PG&E will coordinate with the other Program Administrators to develop a monthly electronic newsletter to update readers on the CSI program. The jointly developed and issued newsletter will be sent to all applicants and service lists for CSI, Self Generation Incentive Program, Emerging Renewables program and to registered sellers and installers. The e-newsletter will be distributed electronically and also posted on gosolarcalifornia.ca.gov. PG&E is requesting \$3,000 in 2008 to coordinate content and manage distribution for this newsletter.

News Release

PG&E proposes to generate interest in the solar marketing efforts by developing a quarterly news release that highlights various CSI outreach initiatives. At the end of each quarter, PG&E will develop a news release covering topics such as the training program and outreach activities. The goal is to have these news releases included in various press publications. There are no budget dollars requested for this activity.

Consumer Guide

PG&E is planning to collaborate with the other Program Administrators to develop a shorter, more consumer-friendly version of the CSI handbook, identified as a 2008 priority by the CPUC. Given the statewide focus, PG&E proposes that all three Program Administrators coordinate efforts and use Program Administration funds to jointly develop one consumer guide that can be used across all service territories. The proposed consumer guide is to be developed during the first half of 2008 for final placement on the PA's websites by early Q3.

Applicant Training Video

PG&E, in collaboration with the other Program Administrators, will work jointly to develop an applicant training video that will guide participants through the incentive application process. Pending conversations with the other Program Administrators to outline the scope of the work, PG&E has budgeted a maximum of \$50,000 in Q3 for this initiative. If the extent of the production is greater than the budgeted amount, PG&E will request additional marketing funds to complete the video.

Program Marketing

Bill Insert

As approved by the CPUC in D. 07-05-047, PG&E will distribute one bill insert targeted towards residential and small commercial customers in March 2008 to promote the CSI program. The printing and design costs for this bill insert was approved as part of the 2007 marketing budget.

Direct Mail

PG&E proposes to develop and send direct mail pieces to both residential and small commercial customers to drive their interest in solar. A postcard will be developed to inform customers on the available CSI incentives and direct them to download the solar guide at PG&E's website. As previously approved, the first direct mail piece in Q1 will utilize 2007 marketing funds. PG&E plans to spend \$170,000 for the development, printing and postage for a second direct mail piece in Q2.

Web Enhancements

PG&E proposes to host educational tools and features such as online training video clips on pge.com/solar. In order to support these features, slight modifications to PG&E's website will need to be made. The goal is to provide an enhanced online educational resource where customers can find answers to their questions in one place. PG&E plans on spending \$20,000 in programming costs to enhance PG&E's website in Q2.

Online Campaign

PG&E proposes a combination of several online components including search marketing, contextual advertising and online banner advertisements to build an online solar outreach presence.

Search marketing and contextual advertising will allow PG&E to display it's solar website link or online solar banner ads, based on purchasing key terms. While providing relevant topic links/ads for the customer, these tactics will also help them make the association between solar and the CSI program offered by PG&E.

PG&E also proposes to develop online banner advertisements to build residential and small commercial customers' awareness of the solar resources on pge.com. These ads will appear on websites where potential solar customers would explore, such as those with content on home improvement, renewable information, green consciousness, etc. The banner ads will drive customers to pge.com to download the solar guide.

PG&E is requesting a budget of \$182,000 to support these online activities and media buys for 2008. Implementation would take place in Q2 and Q3.

Research

Market Research

PG&E proposes to conduct strategic market research to identify specific geographic areas, demographics, attitudes and behavior of prospective CSI applicants. The research conducted will also lay the foundation for a long term marketing strategy to address future matters such as declining CSI incentive levels. The market research study will cost \$50,000 and implemented in late Q1.

Awareness Tracking Study

PG&E proposes to implement an awareness tracking study to determine the effectiveness of the solar marketing efforts in raising customer awareness, the key goal of CSI marketing efforts. The awareness tracking study will be conducted online in three waves including prior, during and after the 2008 marketing campaign. The study will cost \$25,000 and will take place periodically in Q2, Q3 and Q4.

Comments

In accordance with D.07-05-047, parties on the service list for R.06-03-004 may send a letter to the Director of the Energy Division, commenting on this proposed 2008 interim marketing plan. To allow the Energy Division to notify PG&E whether its interim plan is approved or modified before the end of the year, PG&E is requesting an expedited comment period. Anyone wishing to comment on this filing may do so by letter sent via U.S. mail, by facsimile or electronically, any of which must be received no later than **December 23, 2007**, which is 20 business days after the date of this filing. PG&E's reply comments, if necessary, will be submitted no later than December 28, 2007. Comments should be mailed to:

CPUC Energy Division
Tariff Files, Room 4005
DMS Branch
505 Van Ness Avenue
San Francisco, California 94102
Facsimile: (415) 703-2200
E-mail: jjn@cpuc.ca.gov and mas@cpuc.ca.gov

Copies of comments also should be mailed to the attention of the Director, Energy Division, Room 4004, at the address shown above.

The comments also should be sent via U.S. mail (and by facsimile and electronically, if possible) to PG&E at the address shown below on the same date it is mailed or delivered to the Commission:

December 3, 2007

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Notice

In accordance with D.07-05-047, PG&E is providing a copy of this letter to service list R.06-03-004.

A handwritten signature in dark ink, appearing to read "Brian K. Cherry". The signature is written in a cursive, flowing style.

Vice President, Regulatory Relations

Cc: Service List R.06-03-004